

1 JOHN B. BULGOZDY, Cal. Bar No. 219897
Email: bulgozdyj@sec.gov
2 SUSAN F. HANNAN, Cal. Bar No. 97604
Email: hannans@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission
Rosalind R. Tyson, Regional Director
5 John M. McCoy III, Associate Regional Director
5670 Wilshire Boulevard, 11th Floor
6 Los Angeles, California 90036
Telephone: (323) 965-3998
7 Facsimile: (323) 965-3908

8
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 vs.

14 MAM WEALTH MANAGEMENT, LLC;
15 MAMW REAL ESTATE FUND
GENERAL PARTNER, LLC; ALEX
16 MARTINEZ; and RAPHAEL SANCHEZ,

17 Defendants.

Case No. CV 11-2934 SJO (JCx)

**JUDGMENT OF PERMANENT
INJUNCTION AND OTHER
RELIEF AS TO DEFENDANT
RAFAEL SANCHEZ**

1 The Securities and Exchange Commission having filed a Complaint and
 2 Defendant Rafael Sanchez (“Defendant”) having entered a general appearance;
 3 consented to the Court’s jurisdiction over Defendant and the subject matter of this
 4 action; consented to entry of this Judgment of Permanent Injunction and Other
 5 Relief (“Judgment”) without admitting or denying the allegations of the Complaint
 6 (except as to jurisdiction); waived findings of fact and conclusions of law; and
 7 waived any right to appeal from this Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
 10 and Defendant’s agents, servants, employees, attorneys, and all persons in active
 11 concert or participation with them who receive actual notice of this Judgment by
 12 personal service or otherwise are permanently restrained and enjoined from
 13 violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”), 15
 14 U.S.C. § 77q(a), in the offer or sale of any security by the use of any means or
 15 instruments of transportation or communication in interstate commerce or by use
 16 of the mails, directly or indirectly:

- 17 (a) to employ any device, scheme, or artifice to defraud;
- 18 (b) to obtain money or property by means of any untrue statement of a
 19 material fact or any omission of a material fact necessary in order to
 20 make the statements made, in light of the circumstances under which
 21 they were made, not misleading; or
- 22 (c) to engage in any transaction, practice, or course of business
 23 which operates or would operate as a fraud or deceit upon the
 24 purchaser.

25 **II.**

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
 27 Defendant and Defendant’s agents, servants, employees, attorneys, and all persons
 28 in active concert or participation with them who receive actual notice of this

Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant’s agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, while acting as an investment adviser, Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (the “Advisers Act”), 15 U.S.C. §§ 80b-6(1) & 80b-6(2), by using the mails or any means or instrumentality of interstate commerce:

- (a) to employ any device, scheme, or artifice to defraud any client or prospective client;
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

///

///

1 **IV.**

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
 3 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,
 4 and a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. §
 5 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The
 6 Court shall determine the amounts of the disgorgement and civil penalty upon
 7 motion of the Commission. Prejudgment interest shall be calculated from April 1,
 8 2009, based on the rate of interest used by the Internal Revenue Service for the
 9 underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In
 10 connection with the Commission's motion for disgorgement and/or civil penalties,
 11 and at any hearing held on such a motion: (a) Defendant will be precluded from
 12 arguing that he did not violate the federal securities laws as alleged in the
 13 Complaint; (b) Defendant may not challenge the validity of the Consent or this
 14 Judgment; (c) solely for the purposes of such motion, the allegations of the
 15 Complaint shall be accepted as and deemed true by the Court; and (d) the Court
 16 may determine the issues raised in the motion on the basis of affidavits,
 17 declarations, excerpts of sworn deposition or investigative testimony, and
 18 documentary evidence, without regard to the standards for summary judgment
 19 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection
 20 with the Commission's motion for disgorgement and/or civil penalties, the parties
 21 may take discovery, including discovery from appropriate non-parties.

22 **V.**

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
 24 Consent is incorporated herein with the same force and effect as if fully set forth
 25 herein, and that Defendant shall comply with all of the undertakings and
 26 agreements set forth therein.

27 ///

28 ///

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

February 1, 2012

Dated: _____



HON. S. JAMES OTERO
UNITED STATES DISTRICT JUDGE